## BEFORE THE PUBLIC SERVICE COMMISSION

#### OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF	)
SUEZ WATER DELAWARE, INC. CONCERNING	)
THE SEMI ANNUAL ADJUSTMENT TO THE	)
DISTRIBUTION SYSTEM IMPROVEMENT	) DOCKET NO. 18-1209
CHARGE (DSIC) EFFECTIVE JANUARY 1, 2018	)
PURSUANT TO 26 DEL. C. § 314(b)(5)	)
(FILED NOVEMBER 27, 2018,	)
(AMENDED DECEMBER 11, 2018)	)

# ORDER NO. 9321

This 20<sup>th</sup> day of December 2018, the Delaware Public Service Commission (the "Commission") determines and orders the following:

WHEREAS, on November 15, 2018, Suez Water Delaware, Inc. ("SUEZ") filed an application (the "Application") and on December 11, 2018, filed revised schedules (the "Revised Schedules") to adjust its Distribution System Improvement Charge ("DSIC Rate") pursuant to 26 Del. C. § 314; and

WHEREAS, SUEZ's current DSIC Rate of 2.33% effective January 1, 2018, was approved on December 21, 2017, in Commission Order No. 9159; and

WHEREAS, SUEZ seeks to increase its DSIC Rate from 2.33% to 4.10% with an effective date of January 1, 2019. The requested DSIC Rate is based on net additional plant of \$4,024,564, and an associated semi-annual depreciation expense of \$25,235, placed into service during the 6-month period between May 1, 2018 and October 31, 2018; and

WHEREAS, based upon Staff's review of the Application and Revised Schedules, Staff submitted a memorandum reporting that the increase in

 $<sup>^{1}</sup>$  The DSIC Rate mechanism is described in greater detail in PSC Order No. 5850, dated December 11, 2001.

the DSIC Rate is expected to result in an increase of the bill of an average Residential customer by approximately \$0.67 per month compared to rates currently in effect; and

WHEREAS, Staff further reported that the requested revised DSIC Rate of 4.10% is less than a 5% increase in current rates and, therefore, satisfies the requirements of 26 Del. C. § 314(b)(7); and

WHEREAS, Staff recommends that the Commission permit the requested DSIC Rate to become effective January 1, 2019, provided the DSIC Rate shall remain subject to Staff's review, audit, and an annual reconciliation based on the 12-month period ending December 31, 2019 (the "Audit");

# NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE VOTE OF NOT FEWER THAN THREE COMMISSIONERS:

- 1. Pursuant to 26 Del. C. § 314, the requested DSIC Rate of 4.10% shall become effective January 1, 2019, on an interim basis subject to the Audit.
- 2. In accordance with 26 Del. C. § 314(b)(1), SUEZ shall provide information to its customers concerning the requested DSIC Rate.
- 3. Under 26 Del. C. § 314(b)(8), the Commission reserves jurisdiction and authority to conduct the Audit. SUEZ is hereby notified that it may be obligated to refund or reimburse customers if the Audit reflects that the requested DSIC Rate was improperly calculated. The Commission can revise the requested DSIC Rate and provide appropriate remedies for any improperly collected DSIC charges.
- 4. SUEZ is hereby notified that it will be assessed the costs of this proceeding pursuant to 26 Del. C. § 114(b).

The Commission reserves the jurisdiction and authority to 5. enter such further orders in this matter as may be deemed necessary or proper.

### BY ORDER OF THE COMMISSION:

Commissioner

Commissioner

ATTEST: